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Transportation Committee Testimony

Raised SB No. 4: AN ACT CONCERNING THE CONNECTICUT CLEAN AIR ACT

Chairmen Representative Lemar and Senator Haskell; Ranking Members Representative Carney and Senator Somers; and the esteemed members of the Transportation Committee as well as Chairpersons Senator Cohen and Representative Gresko; Ranking Members Senator Miner and Representative Harding and the esteemed members of the Environment Committee,

The Connecticut Chapter of the National Association of Housing and Redevelopment Officials (ConnNAHRO). ConnNAHRO represents over 200 members, to include housing authorities, housing developers, service providers and industry organizations. Our mission is to advocate for and support public housing authorities in their efforts to provide decent, safe, and affordable housing and to preserve Connecticut's public housing stock for future generations. We seek to advance industry knowledge and raise standards through professional development and staff training and through networking opportunities. In partnership with local organizations and through our relationship as a NAHRO chapter, we are committed to advocating for policy and legislation that supports, preserves and creates public and affordable housing in Connecticut communities and nationally.

ConnNAHRO has a number of concerns with this bill as drafted and must <u>OPPOSE</u> Section 3 of this bill in the absence of a number of material changes, but wholly endorses the ultimate objective of Sections 2 and 3 of this legislation, which is to establish sufficient electric vehicle charging infrastructure to support Connecticut's transition to an electric vehicle dominant future. We have outlined our concerns below as they relate specifically to the public housing rental market and wish to confine our comments within this narrow sector of the broader housing industry of Connecticut.

Our review covers both specific provisions of Section 3 and general considerations as it relates to public housing and public housing authorities (PHAs), which are set forth below:

Section 3(b): Notwithstanding any provision in the rental agreement to the contrary, for any rental agreement executed, extended, or renewed on and after October 1, 2022, a landlord of a dwelling unit shall approve a tenant's written request to install an electric vehicle charging station at a dedicated parking space for the tenant that meets the requirements of this section and complies with the landlord's procedural approval process for modification to the property.

ConnNAHRO views this provision as problematic in implementation given the variance in available parking spaces and the fact that by operation of Section 3 of this bill, a tenant effectively takes ownership over the



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infrastructure while the landlord retains ownership of the real property on which the charging infrastructure is emplaced.

Additionally, in the absence of the ability to appropriately meter a charger's use in event of multiple tenants with electric vehicles, it is particularly difficult given how subsidized public housing tenants' rents are calculated to apportion on a pro rata basis the cost of implementation, maintenance, and use by multiple tenants. Moreover, charging a "community amenity" style fee to all tenants within our communities would be unreasonable and likely impossible under current local, state, and federal public housing law and regulation.

Section 3(e) "If the electric vehicle charging station has the effect of providing the tenant with a reserved parking space, the landlord may charge a monthly rental amount for that parking space."

ConnNAHRO believes that implementing a designated parking rental charge would be problematic at any Low-Income Housing Tax Credit (LIHTC) property. These properties have maximum rents set and any fee that the tenant is required to pay would go toward the maximum rental amount under current law. Also, a landlord of these properties cannot charge an additional fee for anything that is included in the subsidized construction costs (known as "basis"). So, this provision would be very problematic for LIHTC properties. The LIHTC program is the primary program developing any new affordable housing in which public housing authorities are engaged.

Section 3(g) "A tenant's written request to modify the rental property in order to install an electric vehicle charging station shall indicate his or her consent to enter into a written agreement that includes, but is not limited to, the following:

- (1) Compliance with the landlord's requirements for the installation, use, maintenance and removal of the electric vehicle charging station and its infrastructure;
- (2) Compliance with the landlord's requirements for the tenant to provide a complete financial analysis and scope of work regarding the installation of the electric vehicle charging station and its infrastructure;
- (3) Compliance with the landlord's requirements to pay the landlord any costs associated with the landlord's installation of the electric vehicle charging station and its infrastructure prior to any modification or improvement to the rental property. The costs associated with modifications and improvements include, but are not limited to, the cost of permits, supervision, construction and, solely if required by the contractor and consistent with its past performance of work for the landlord, performance bonds;



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(4) Compliance with the landlord's requirements to pay, as part of the tenant's rent, any costs associated with the electrical usage of the electric vehicle charging station, and costs

for damage, maintenance, repair, removal, and replacement of the electric vehicle charging station, including such modifications or improvements made to the rental property associated with the electric vehicle charging station; and

(5) Compliance with the landlord's requirements to maintain a general liability insurance policy that covers an electric vehicle charging station at a tenant's dedicated parking space and to name the landlord as a named additional insured under the policy commencing with the date of approval for construction until the tenant forfeits possession of the dwelling unit to the landlord.

ConnNAHRO acknowledges and appreciates that the Department's intent is to ensure that the landlord does not ultimately bear the burden of any costs associated with the installation of electric vehicle charging infrastructure, however, the cost of ongoing maintenance and prioritization of ownership interests are issues that create potentially significant problems. Moreover, implementation of such infrastructure could be impossible where, as is the case with many public housing authorities, they have very limited funds available for capital improvements and in some cases would need to access general operating funds or reserve funds to comply with Section 2 of this bill to the detriment of a PHA's ability to succeed in its original mandate of providing housing.

Another consideration that ConnNAHRO would like to raise for the Committee's awareness is that in order for a PHA to recover the costs of implementing electric vehicle charging infrastructure, separate repayment agreements would need to be entered into by the tenant and the PHA. While this is not expressly proscribed in Section 3 of this bill, compliance remains at the discretion of an enforcement authority and could potentially create a conflict between compliance with the rules and regulations of local governing bodies, the state's Department of Housing and Connecticut Housing Finance Authority, and our federal partners at HUD. We seek clarification in statute and harmonization with all local, state, and federal rules and regulations before we can reasonably be expected to comply with the functional mechanisms of this bill.

Additional Consideration:

Compliance with Section 3 of this bill will be difficult with older public housing developments given that they often have very limited parking spaces based on tenant-consumer behaviors at the time of development and construction. For example, many families only owned one vehicle in the 1960s, which was when some of ConnNAHRO's members' properties were developed and built.

On behalf of ConnNAHRO and our member-public housing authorities, we urge further development of this bill to close gaps in the legislative language that open the door to interpretations, which force a Hobson's choice between complying with the laws and regulations controlling public housing in Connecticut and



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Section 2 of this bill. At this juncture, ConnNAHRO must take a position in opposition to section 3 of SB No. 4: AN ACT CONCERNING THE CONNECTICUT CLEAN AIR ACT.

Thank you for taking the time to read this testimony.